

RESOLUTION NO. 2006-18

A RESOLUTION OF THE LODI CITY COUNCIL
IMPLEMENTING AND ADJUSTING THE MARKET
COST ADJUSTMENT LEVEL FOR ELECTRIC
RATES FOR CUSTOMERS RECEIVING
MEDICAL RIDER DISCOUNTS

WHEREAS, the Council of the City of Lodi finds as follows:

1. The City of Lodi provides electricity to its citizens through the Lodi Electric Utility Department;
2. The City charges customers of this utility a charge to fund the on-going operation and maintenance of the electric supply; and
3. The Lodi Municipal Code authorizes the City Council to impose by resolution a Market Cost Adjustment to address cost spikes in the wholesale electric market (Lodi Municipal Code Section 13.20.175).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Levy of Charges. Pursuant to Section 13.20.175 of the Lodi Municipal Code, the Market Cost Adjustment Level for electric rates for customers receiving Medical Rider Discounts are hereby implemented in the amounts shown as follows:

| MCA Table for Medical Rider Customers | | | | |
|---------------------------------------|--------------------------|-------------------------------|------------------|----------------------------|
| Tier | Kwhr as implemented (EA) | Cents per Kwhr as implemented | Kwhr as proposed | Cents per Kwhr as proposed |
| 1 | 0-50 | 2.6 | 0-400 | 0.85 |
| 2 | 51-300 | 2.9 | 401-508 | 1.0 |
| 3 | 301-400 | 4.1 | 509-600 | 2.5 |
| 4 | 401-508 | 4.9 | 601-781 | 5.5 |
| 5 | 509-600 | 4.9 | 782-900 | 9.0 |
| 6 | 601-781 | 6.5 | 901-1,171 | 10.0 |
| 7 | 782-900 | 13.2 | >1,171 | 10.0 |
| 8 | 901-1,171 | 17.6 | | |
| 9 | >1,171 | 19.0 | | |

Section 3. The City Council hereby:

- a) Adopts the Market Cost Adjustment level, which would effectuate a 25% discount from the standard residential rate; and
- b) Authorizes the Finance Director to adjust any bills for December 2005 and January 2006 issued to customers receiving the Medical Rider discount to reflect the decisions adopted by Council.

Section 4. Effective Date. This resolution shall take effect immediately.

Dated: January 18, 2006


I hereby certify that Resolution No. 2006-18 was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 18, 2006, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Johnson, Mounce, and
Mayor Hitchcock

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk